



U.S. Immigration
and Customs
Enforcement

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News Release

Zig-Zag Money-Laundering Operation Organizers Sentenced *\$1 million laundered over 2-year period*

DETROIT — Two men from Sierra Leone were sentenced here today for their involvement as the leaders of a multi-million dollar money laundering operation that illegally produced counterfeit Zig-Zag brand cigarette paper in Jakarta, Indonesia. U.S. Immigration and Customs Enforcement (ICE) and the Internal Revenue Service - Criminal Investigations Division (IRS-CID) investigated this case.

Tarek Makki, 41, and Adham Mackie, 37, both of Sierra Leone, were sentenced today by U.S. District Court Judge Avery Cohn to 24 months in prison and 36 months supervised release after pleading guilty to money laundering, trafficking in counterfeit goods, conspiracy, making false statements and perjury. Adham Mackie also received a judicial order of deportation from the United States.

ICE's investigation revealed that in early 2000 that Makki and Mackie initiated the scheme and began counterfeiting the cigarette paper in Jakarta, Indonesia. The organization was responsible for importing counterfeit paper into the United States from May 2000 to February 2004, which was worth an estimated \$16 million. The Detroit-area proceeds are estimated at \$871,000. Additional evidence indicated that the organization laundered approximately \$1 million to facilitate this organized criminal enterprise between March 2000 and February 2002.

The counterfeit products were sold in the U.S. at prices well below the registered Zig-Zag brand item. Makki and Mackie used several front business names to introduce the counterfeit Zig-Zags into United States commerce. The markings on the products were indistinguishable from the genuine product or registered goods. The funds generated by the counterfeiting scheme were squandered by organization members or seized through civil proceedings by the North Atlantic Trading Company, trademark holder for Zig-Zag cigarette papers in the U.S.

"Intellectual property rights crimes such as counterfeiting are not victimless. They should be of concern to every American," said Brian M. Moskowitz, special agent-in-charge of the ICE Office of Investigations in Detroit. "This type of criminal activity costs U.S. industries nearly \$250 billion in losses each year. Even more disturbing is that the illicit proceeds generated from these crimes facilitate organized crime. This specific case would not have been successful without the excellent

work and collaboration of the Internal Revenue Service's Criminal Investigation Division here in Detroit."

Maurice Aouate, special agent in charge of the IRS' Criminal Investigations Division in Detroit stated, "Money laundering is a very complex crime involving an enormous amount of financial transactions and financial outlets throughout the world. IRS-CID is committed to identifying and tracing criminal proceeds, even if it leads overseas, in order to disrupt and dismantle this type of illegal counterfeit operation."

With today's sentencing, six people have now pleaded guilty to crimes associated with this counterfeit operation:

- February 2, 2006: Ali Mackie, 27, a low-level participant, was sentenced to six months home confinement, two years probation and \$10,000 restitution after pleading guilty to money laundering, perjury and conspiracy.
- January 13, 2006: Kamal Turfah, 30, pleaded guilty to structuring transactions to evade federal financial reporting requirements.
- November 1, 2005- Anand Nanwani, 27, and Jaipal Singh, 29, were each sentenced to 15 months imprisonment for money laundering and conspiracy to traffic counterfeit goods. Both men are citizens of Indonesia and agreed to removal from the U.S. upon completion of their prison sentences.

Assistant U.S. Attorney Gary Felder, Eastern District of Michigan, prosecuted this case.

ICE

U.S. Immigration and Customs Enforcement (ICE) was established in March 2003 as the largest investigative arm of the Department of Homeland Security. ICE is comprised of four integrated divisions that form a 21st century law enforcement agency with broad responsibilities for a number of key homeland security priorities.